

**MINUTES OF THE BOARD OF DIRECTORS
HOLLYWOOD PROPERTY OWNERS ALLIANCE
Thursday, September 19, 2013
Hollywood United Methodist Church – Grant Hall
6817 Franklin Avenue**

Directors Present	Frank Stephan, President	Clarett West Development
	Lynda Bybee, Vice President	Metro
	Monica Yamada, Treasurer	CIM Group, LP
	Charlie Colletta	HEI, LLC
	Michael Gargano	Argent Ventures, LLC
	David Green	Nederlander Organization
	John Lyons	Avalon Hollywood/Bardot
	Jan Martin	AMDA
	Mark Stephenson	Hollywood UMC
	John Tronson	Tronson Investment Group
Directors Absent	Don Mushin, Secretary	Toyota of Hollywood
	Greg Beck	Champion Real Estate
	Chris Bonbright	Whitley Court Partners
	Leslie Blumberg	The Fonda Theatre
	Joseph D'Amore	Hollywood Commercial
	Galo Medina	Comprehensive Financial Services
	Drew Planting	GPI
Staff	Kerry Morrison	HPOA
	Sarah MacPherson Besley	HPOA
	Joe Mariani	HPOA
	Devin Strecker	HPOA
	Bill Farrar	Andrews International
	Joe Salazar	BID Security
	Steve Seyler	BID Security
Guests	Jonathan Gael	Refuse Specialists
	Sgt. D. Martin	LAPD – HWD – HED
	Lt. Mark D. Dibel	LAPD – HWD – HED
	SLO D. Pesqueira	LAPD – HWD – HED
	Heather Crossner	Latham & Watkins
	David Benavente (director-elect)	Shine America

	Aaron Green	Afriat Consulting
	Mark Echeverria (director-elect)	Musso and Frank
	Quincy Johnson	ShowMyProperty.tv

I. Call to Order

The meeting was called to order by Board President Frank Stephan at 4:15 p.m. Mark Stephenson welcomed everyone to the Hollywood United Methodist Church, stating that the sanctuary of the church is a registered historic landmark built in the 1920's, and that they are glad to be part of the community.

II. Open Forum

Jonathan Gael, Refuse Specialists, introduced himself and said his company is seeking support in opposing the city's Waste Hauler Franchise proposal as he believes it will be bad for businesses. He distributed information and explained his position.

Quincy Johnson, ShowMyProperty.tv, introduced his business, which creates videos to show properties to the global market. They also offer branding for companies through internet videos.

Aaron Green and Heather Crossner attended on behalf of their client, Crescent Heights, to provide an overview of the Palladium Residences project. Currently there are two schemes being considered: one would entail 731 residential units and the second would include 598 residential units and 250 hotel rooms. Additionally, ground floor retail will be incorporated on Sunset Boulevard and Gower Street. Crescent Heights has filed their Environmental Assessment Form and they expect to complete their entitlements in 2015.

III. Approval of Minutes

It was moved by Lynda Bybee, seconded by Charlie Colletta and **CARRIED to approve the minutes from the Board's August 22, 2013 meeting.**

IV. Treasurer's Report

- A. Review and approve August 31, 2013 Statement:** Yamada reported that we are getting close to finishing the third quarter and are looking closely at the budget. With regards to expenses, she said that overall we are tracking to be under budget as we have been in prior years. We are over on health insurance and travel (due to the IDA conference). Morrison noted part of the cash surplus this year results from a conservative "rollover" from 2012. She pointed out that only \$300,000 was rolled over, when the actual cash roll over exceeded \$700,000. This is a difficult number to pin down during the fourth quarter budgeting process because of assessment revenues that arrive late in the year, and the cash basis of the P/L report. However, it seems likely that a more aggressive rollover (e.g., more than \$300,000) will be appropriate in the new year. She also pointed out three positive variances (shown in red), in security patrol, security contingency, and contingency, which would inform the board's discussion on how to use funds for special security projects.

It was moved by Mark Stephenson, seconded by Lynda Bybee and **CARRIED to approve the treasurer's report ending August 31, 2013. Eight voted in favor.**

B. Assessment Parcel Tracking

1. **Status of unpaid assessments:** Besley stated that in the column labeled “assessment balance,” it shows \$125,000 from prior year’s assessment (however, we received a check from Metro today). The delinquency rate for government parcels is higher than private parcels. LAUSD is counted as outstanding for prior years due to their own policy of not paying their full assessment. Green asked if it would be possible to get a detail of the parcels that are delinquent; Besley stated that she had that information available currently. Morrison added that it is a slippery slope when public agencies declare their assessments reduced. She is reaching out to other BIDs to see if we have support for challenging this. Green asked how this could happen when it is the county that assesses, not the city. Morrison explained that the city manually assesses government parcels. Besley added that 6666 Yucca has been delinquent since 2008, which is the largest outstanding private parcel.
2. **Assessment refunds:** Besley stated that a property owner (Clarett West Development) had been overbilled for front footage that no longer exists (e.g., Vista Del Mar and El Centro). There will be a revenue adjustment made after a refund for overpayment is made.

V. Committee/Activity Reports

A. Marketing and Communications

1. **Hollywood Bloggers Tour:** Strecker reported that the first Hollywood Blogger Tour, being coordinated with Haines & Co., is shaping up very well as the merchants we have contacted have all been very cooperative. Haines & Co. has gotten about 8 RSVP’s from various bloggers. The tour will take place Saturday, September 21 from 11:00 a.m. to 3:00 p.m. The proposed schedule was discussed.
2. **Report from Big Ideas brainstorming:** A group of marketing partners met on September 11, 2013 at AMDA to discuss the “Big Ideas” component of the BID’s strategic blueprint for media relations. The group included board members **Jan Martin (AMDA)** and **Joe D’Amore** in addition to stakeholders Ryan Kvalvik (Clarett West Development), David Gajda, Keith Wyatt (MI), Brandon Mason and Chase Gordon (Avison Young). Staff members present were Kerry Morrison, Joe Mariani, Sarah Besley and Devin Strecker. From Haines & Co., Genevieve Haines, Nerissa Silao and Clare Sebenius were in attendance. After discussion around the table and input from each participant, the following three initiatives were identified, and tasks were assigned for each: Sub-neighborhoods (establishing a “sense of place” by breaking down the District into sub-neighborhoods that share common themes); Collateral (developing new and exciting ways to tell our story visually using infographics, heat maps, data visualizations etc...); and BID Talks (inspired by TED Talks). The group will be meeting again on Oct. 23rd and all board members are encouraged to get involved.
3. **Hollywood Visitor’s Guide Status Report** – After initially contemplating suspending the guide for one year, it appears that a cover advertiser has been identified so Strecker plans to proceed with the guide as usual, although some changes may be made to lower the cost. In addition, a smart phone app will be offered to advertisers for the first time.
4. **Seismic messaging:** Morrison stated that she and Leron Gubler are attempting to contact the USC professor (Dolan) quoted in the LA Times article and other media reports regarding the Hollywood faultline in order to present a more measured response. The piece in LA Weekly was misleading. Gubler has been trying to use the EDC to get to Dolan but he has not returned any calls. Stephenson stated that this is a balancing act, but that the media has created hysteria.

B. Security

3. **General security update:** Mariani reported that Captain Girmala has been promoted to a position downtown, and has been replaced by new Captain Peter Zarccone. Fifteen stay away orders have now

been issued; housing has been found for one of the individuals. Lt. Dibell pointed to the example of the drummer who used to always be at Hollywood & Highland as an example of a success story, as he has now moved on from the area. PATH and DMH continue to do street outreach every Tuesday and Thursday morning. Year to date, there have been 4 homicides (there were 5 last year). Violent crime is down 17%. The BID is working on a nighttime observe and report partnership with LAPD. Echeverria said he thought those stats were great and wondered what the average city wide is; Dibell stated that 14 homicides per year is the average per division. Morrison stated that while there has been incredible crime reduction, there is still the perception of crime in the area, that the sidewalks feel unsafe. We have to deal with the palpable feeling of the area being unsafe. Dibell cited promoter regulations as one possible avenue to look at, as he feels the promoters are bringing in an element of crime. Pesqueira said they would like to hold promoters financially accountable; Lyons said the blame should go on the person hiring the promoters, not the promoters themselves.

4. **Limitation on tour sales/solicitation – ordinance passed 9/5/13:** Morrison reported that City Council adopted the ordinance on September 5 and it will go into effect 30 days after the mayor's signature. O'Farrell is pulling together departments to do an initial enforcement push. She is very excited about this and believes it will have a huge impact.
5. **Security Planning:** Mariani stated that last month, the board approved a 14-week pilot program for night time security. After conferring with Farrar and Seyler, it was determined that unarmed security would be the best option. There will be six unarmed officers and one armed officer on duty two nights per week. We are experiencing a delay in staffing but the revised cost of the program will be reduced to \$46,000 as a result of using unarmed officers.

With regards to the camera system, an estimate was secured from Metro Video to upgrade the system. In speaking with the LAPD captains and detectives, they made it known they would like to see the upgrade happen sooner rather than later. Staff is trying to find a way to accommodate both projects. Mariani presented a document showing the financial impacts of both programs, which if both funded concurrently, would present a budget shortfall of about \$25,000 which would have to be pulled from elsewhere in the budget. Stephan asked if everyone was comfortable with unarmed security; Dibell and Farrar both said they were as it's very clear this will be an "observe and report" situation. There might be an opportunity to continue into next year utilizing rollover funds, and it's also hoped that after the pilot program it could cool down the crime issues and reduce the need for additional night time security. Lyon stated that the nightclubs could potentially take over the costs of the program or at least part of it. Mariani said the committee will continue to discuss. Mariani added that the committee could have an action item as early as next month regarding the camera system upgrade.

4. **Briefing on "Top 14" progress:** This item was tabled until next month.
5. **Meeting with Carol Sobel/ACLU re/ street character :** Morrison reported that Councilmember O'Farrell's staff had set up this meeting, as he wanted to have a conversation about appropriate enforcement. In the course of the two hour meeting, Sobel stated that she does not feel anything special needs to be done, as good undercover operations would lead to good arrests; laws are being broken that can be enforced. She encouraged O'Farrell to strategize with LAPD and the city attorney for undercover operations; overall the meeting left Morrison feeling very encouraged.
6. **Kerr Complaint:** Morrison reported that legal papers have been served to the HPOA and turned over to Andrews, stemming from an arrest in August 2011 for illegal street sales (counterfeit watches). The plaintiff is suing for racial profiling, assault and emotional turmoil, although he admitted he was selling counterfeit goods illegally.

C. Streetscape and Planning

1. **Report from Streetscape and Planning meeting 9/10/13:** Besley distributed meeting notes from the September 10th meeting to the board.
2. **Carr Lawsuit:** Besley reported that there is a new trial date date scheduled in the first week of January. A global settlement is still being sought through mediation as all parties prepare for trial.
3. **Maintenance headquarters:** Mariani reported that staff is currently negotiating a lease in the Cherokee parking garage, 1718 Cherokee, Suite C, to serve as a headquarters for Cleanstreet. Mariani asked that the board consider approving a counter offer at \$1,250 per month for a five year lease.

It was moved by John Lyons, seconded by David Green and **CARRIED to approve the \$1,250 per month lease with the Department of Transportation – the owner of the garage.**

4. **LaBrea Median:** Besley reported that the DWP has shut off electrical and water service to the La Brea medians as CRA had previously paid both utility bills. Due to the high cost of irrigation (approximately \$571) the committee has elected to hire landscape architect, Diane Scanlan, to develop a landscape plan utilizing native and drought tolerant plants and the watering during the establishment period will be done with a watering truck.
5. **Status of Community Plan litigation:** Besley reported that three lawsuits have been filed against the plan, and we are awaiting the trial date, within 3-4 months. The Chamber is seeking financial support. Morrison reported that oral arguments were heard today, and if we lose, it will embolden opponents of development and be very problematic. Shepherd Mullins has assembled evidence in the case.
6. **Cleanstreet Contract:** Besley reported that Cleanstreet's contract is scheduled to expire on December 31st of this year. Consequently, the Streetscape and Planning Committee must issue an RFP or renegotiate the contract directly with the vendor. After considering the advantages and drawbacks of conducting a full RFP process, staff has elected to conduct the RFP. The kick off to that process is expected to begin in late October.
7. **City Planning Department/Building and Safety Consolidation Plan:** Besley reported that Councilmembers Price and Wesson recently supported a motion instructing the city to expand the scope of work of the consultant hired to advise the City on the consolidation and include options other than merging the two departments. In sum, the motion significantly delays the consolidation and the staff will report on a proposed schedule as more details become available.

D. Nominating Committee

1. **Report from Nominating Committee:** Green encouraged anyone to apply for officer positions on the board. Bybee is going to resign from the committee in order to run for an officer position.

VI. Staff Report

1. **Proposal for consideration by board managing new Melrose BID:** Morrison stated that HPOA was approached by the Melrose BID board to submit a proposal to manage that BID, similarly to the arrangement between HPOA and CHC to manage the Sunset & Vine BID. She said we would not enter into an agreement without the HPOA board's approval. Staff will be walking the area tomorrow in order to prepare a presentation, and we will bring more information to next month's meeting.

2. **BID Day at City Hall September 26, 2013:** Under Besley's leadership, the LA BID Consortium has undertaken a major effort to organize BID Day at City Hall on September 26, and hired a consultant to assist in the process. They will be meeting with various council members and city officials to raise issues common to the BIDs and provide education on what BIDs do throughout the city.
 3. **Hollywood ED Safety Summit:** Morrison and Seyler will both be on the panel at this event organized for the students in Hollywood ED schools on October 10, 2013.
 4. **Reception to congratulate Commander Beatrice Girmala – Sept. 25, 6-8 p.m., Hollywood Museum:** Morrison will send out the invite to the board again and asked that board members RSVP directly; she is also looking into gift ideas on behalf of the board, and hoping to find things that are unique to the HED.
 5. **Board meeting location options:** Morrison stated that the Chamber has offered its conference room but she is concerned about access to that location when the street is closed for special events. She is also looking into the possibility of holding the meetings at the W or continuing to meet at the Methodist church. Any other ideas would be appreciated.
 6. **Location of LAX Fly-Away on Vine Street:** O'Farrell is working to locate a Fly-Away bus on Vine Street to the airport in 2014, using the city-owned Vine Street Parking Garage.
- VI. **Next Meeting:** The next meeting is scheduled for October 17, 2013. Location will be announced.
- VII. **Adjournment**

There being no further business the meeting was adjourned by Stephan at 6:12 p.m.